

MEMORANDUM FOR: Director of Personnel

FROM:

Acting Director, Foreign Broadcast Information Service

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SUBJECT: FBIS Foreign Compensation Plans

1. FBIS has provided compensation plans to PMCD for their consideration in lieu of the interagency/State plans currently in use. From past exchanges, you are aware that the interagency system was not responsive to our requirements and severely affected on our ability to fulfill our mission overseas.

2. I would like to convey to you the management consideration that went into the development of these plans as background for your use in reviewing the proposals. Overall, our concern has been to provide the best possible product for our consumers. To do this, we must maintain a substantial cadre of experienced and highly qualified employees. We thus have to offer sufficient monetary inducements to attract qualified personnel; provide sufficient career progression opportunities to retain them; address their concerns that affect attitude such as shift work, utilize a pay scheme that accommodates both local and third country employees, and be alert to the peculiarities of the area's employment market.

3. FBIS requires the best available expertise in its professional foreign national employees as their production directly affects the intelligence product. This direct dependence on foreign nationals and

SUBJECT: FBIS Foreign Compensation Plans

their impact on output is considered unique in overseas government programs and is the basic reason why FBIS must pay the market price for this expertise. Where there is a mix of third country and locally hired professional employees at the same bureau, it is necessary to have pay equality in order to eliminate the unrest and morale problems inherent

→ in two different scales for the same qualifications. At the non-professional levels FBIS has held pay to the State level except at Bangkok and Nicosia. At these two Bureaus the gap between professional and nonprofessional levels would require separate scales unless progression on our twelve grade scale started at the nonprofessional FSN 6 level.

4. All Bureau compensation plans have been submitted on a single
→ line twelve grade scale. This has been done in an effort to place FBIS
→ on a simplified world wide basis. The scales are called Foreign Broadcast, Foreign Field and have been numbered in reverse order from the State plans. These approaches have been taken to separate the FBIS program from the interagency system and to reduce at the local level direct grade comparisons.

5. Each bureau has a different situation and specific comments on each follows:

SUBJECT: FBIS Foreign Compensation Plans

Abidjan: This is a relatively new bureau and we have been able to accommodate our initial needs within the State scale. However, we have never been able to recruit monitors below the FSN-4 (current FSN-9) level. We are seeking, in competition with U.S. firms, English speakers in a French speaking environment and the supply is limited. The Embassy did the recruiting for the Bureau when it was established and they set FSN-9 as the entry level required to meet our needs. In order to provide the professionals with the opportunity for career progression we have added one grade level above the Embassy scale. This change is to foster career retention.

Amman: We have experienced difficulty in Amman since its opening in obtaining and retaining professionals. This is a market place phenomena resulting from the lure of Arab oil money in the Gulf and the social restrictions on women. To provide necessary inducement for recruitment and retention, we have added 10% to the professional levels, 10% being the minimum meaningful increment over the current inadequate scale. If this does not yield improvement in the staffing over a period of time, we would ask that it be further augmented.

SUBJECT: FBIS Foreign Compensation Plans

Asuncion: The Embsssy scale is basically adequate. We have added a twelfth grade to provide the full career progression potential and have combined the pay items.

Bangkok: The problem in Bangkok stems from our requirement to recruit outside of Thailand for most of our professionals. The Bangkok Embassy scale which is one of the lowest in the Far East is totally inadequate to induce third country personnel to accept employment. The various language requirements of the Bureau require recruitment in Australia, United Kingdom and throughout the area. As an example, entry level for a monitor is less than a driver's salary in Australia. Prospective employees will not move to Thailand without adequate inducements and the Embassy scale does not have them. Our experience shows that the old P scale was effective in meeting our needs and our proposal parallels that scale. The top grade of our scale starts 155% higher than State's scale and would appear to be excessive. However, in dollar terms the range of our top grade is \$18,597 to \$32,016. The \$19,597 rate of the first step is the lowest for any bureau worldwide and the last step rate is the average in the Far East area. This is hardly excessive for external recruitment needs.

SUBJECT: FBIS Foreign Compensation Plans

Gulf: The Gulf problem is similar in part to Bangkok since all recruitment of monitors is external. We have had to devise a scale which will provide sufficient inducement to attract qualified professionals to Bahrain.

Hong Kong: The intensive competition in the Hong Kong market has posed a very serious problem for the bureau. We are able to hire adequately qualified people at the entry level but we are having extreme difficulty in retaining them after they have been trained. In the past year one company alone has lured three of our monitors away and others have accepted employment elsewhere. In an effort to stem this exodus we have augmented the professional grades above the entry level by 10%. If this does not stem the tide we will have to seek added incentives. The only other option for Chinese coverage is Okinawa where we have to utilize TCNs and provide quarters and allowances. Coverage in Hong Kong therefore is cost effective over Okinawa even with pay scale increases. A twelfth grade was also added to Hong Kong.

London Not on CARD. London: The Embassy scale is adequate. We will be able to pay additional premium pay on the single line scale.

SUBJECT: FBIS Foreign Compensation Plans

Nicosia: This bureau is also heavily dependent on third country employees and the local scale is inadequate in the lower and middle professional levels for retention. These grades have received varying percentage increases based on the needs experienced in the past. A twelfth grade has been added.

Seoul: The Embassy scale is adequate. Premium pay will increase with the single scale.

Swaziland: The Embassy scale is adequate using the top twelve grades of their scale.

Tel Aviv: the Embassy Scale is adequate and the single scale will provide added premium pay benefits.

Vienna: The Embassy scale is adequate. In this case the single scale concept used throughout will result in lower premium pay benefits since the earlier scale incorporated bonuses in the base pay figure. A twelfth grade has been added.

SUBJECT: FBIS Foreign Compensation Plans

The proposed Compensation plans will provide FBIS with a single, worldwide approach. There will be uniform 12 grade single-line pay scales, all of which will be tied to State's local scales in a direct fashion (to eliminate market surveys by the Agency). Management's concerns at each bureau are addressed in the pay packages and we believe that this will permit us to continue to provide a quality product through realistic compensation plans providing proper recruitment and retention climates.



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